

**Department of Natural Resources  
Timber Report  
Second Quarter Fiscal Year (FY) 2011-12**

**Background**

Michigan's state forest system was originally certified under both the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC) third party forest certification standards in December 2005. Michigan successfully re-certified under both standards in December 2010.

Forest certification protocols require public participation in forest management planning and forest operations. The Department's compartment review process has been audited by both the SFI and the FSC and has been recognized as a key public participation mechanism that meets requirements for forest certification.

The Department of Natural Resources' (DNR) investment in forest certification strengthens Michigan's forest products sector. Certification is essential in order for primary wood producers in Michigan to have continued access to national and international markets.

**Second Quarter FY 2011-12 Timber Treatments**

State forest planning and activities, including timber treatments, are conducted within the framework of SFI and FSC forest certification principles and standards. Timber treatments in a given year are based on decisions made two years prior to the treatments through the compartment review process.

The FY 2011-12 plan of work currently identifies 59,561 acres for timber sale preparation that were approved through the compartment review process, taking into consideration the impact of timber harvesting on wildlife habitat and recreation uses. Managers have developed work plans to prepare all 59,561 acres for sale with current resources, including marking contracts. Final numbers for the work plans may change slightly.

Timber sale preparation is done by DNR staff and through timber marking contracts with private consultants. Through the second quarter of FY 2011-12, 6,736 acres of timber sale preparation-marking contracts have been awarded. Contracts for an additional 1,300 acres are expected to be in place later in the fiscal year.

Through the end of the second quarter, the DNR has submitted 7,300 acres of timber sales with an estimated volume of 116,100 cords. Typically, fewer acres are prepared for sale during the first two quarters of the fiscal year than during subsequent quarters due to seasonal management activities.

The percent of sales receiving no bids during the second quarter was up a bit from the previous quarter. Of 167 sales offered, 159 sold on their initial offering. This 5% no-bid rate is up from the first quarter's 2% rate, but less than the 7% no-bid rate from the fourth quarter of FY 2010-11. The year-to-date 3% no-bid rate is on par with the whole of FY 2010-11, where 3% of sales received no bids.

FY 2011-12	Total sales offered in the quarter	Offerings with no bids	Percent (%) of sales that were no-bid
1 <sup>st</sup> quarter	124	2	2%
2 <sup>nd</sup> quarter	167	8	5%
<b>Total</b>	<b>291</b>	<b>10</b>	<b>3%</b>